

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF STATE BUDGET

MARK SANFORD, CHAIRMAN
GOVERNOR

CONVERSE A. CHELLIS III, CPA
STATE TREASURER

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL



HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE COMMITTEE

DANIEL T. "DAN" COOPER
CHAIRMAN, WAYS AND MEANS COMMITTEE

FRANK W. FUSCO
EXECUTIVE DIRECTOR

1201 MAIN STREET, SUITE 870
COLUMBIA, SOUTH CAROLINA 29201
(803) 734-2280
Fax (803) 734-0645

LES BOLES
DIRECTOR

May 27, 2008

The Honorable Hugh K. Leatherman, Sr., Chairman
Joint Bond Review Committee
111 Gressette Senate Office Building
Columbia, South Carolina 29201

Dear Senator Leatherman:

The Office of State Budget submits the following items for review at the June 4, 2008 meeting of the Joint Bond Review Committee.

From the General Services Division:

- 1) Department of Health and Human Services Lease
- 2) Public Service Commission Lease

From the Office of State Budget:

- 3) Summary 8-2008, including 26 permanent improvement project requests.

If you have any questions or need additional information on these items, please call me at 737-0699.

Sincerely,

Carol P. Routh
Assistant Director, Capital Budgeting

Enclosures

cc: George Dorn, Tim Rogers, Lib Croft, Scott English, Grant Gillespie, Justin Evans,
Frank Rainwater, Rick Harmon, Nat Kaminski, Les Boles, Charles Shawver, Stephen Gardner,
John White, Patricia Dennis, Alyson Goff, John McEntire, Sandy Williams, Betty Jenkins,
Tom Quasney, Dan Marlow, Shirley Wilson, Marsha Kjoller, Monica Scott, John Malmrose,
Scott Ludlow, Jim Berry

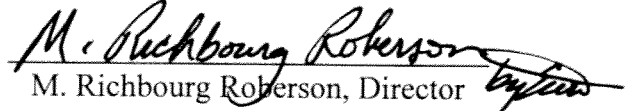
JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: June 4, 2008

Regular Agenda

1. Submitted by:

- (a) Agency: General Services Division
- (b) Authorized Official Signature:


M. Richbourg Roberson, Director

2. Subject: Department of Health and Human Services Lease

3. Summary Background Information:

The Department of Health and Human Services (HHS) requests approval to continue leasing from AMOMMARC I, LLC and AAC Columbia Limited Partnership (Landlord), 145,831 square feet in the basement, mezzanine and "arcade" areas and all 14 floors of the Jefferson Square building located at 1801 Main Street in Columbia. The leased space will house all administrative offices of HHS. HHS' current lease at the location expires June 30, 2008. As a result of negotiations, HHS will save at least \$652,000 in the first year of the new lease compared with the current lease with Landlord.

The lease term will be five years commencing on July 1, 2008. Rent will be \$182,288.75 per month or \$2,187,465.00 per year (\$15.00 per square foot annually) for the first year of the lease. Thereafter, rent increases by \$0.25 per square foot annually. Comparables of similar state agency office space leased in the Columbia area are as follows:

Lease Date	Agency/Location	Rate
03/06	Lottery Commission 1333 Main Street	\$ 15.00
01/02	Worker's Compensation Commission 1612 Marion Street	\$ 16.25
10/07	Commission on Indigent Defense 1330 Lady Street	\$ 16.50

HHS will continue to lease parking spaces for its employees in the parking garage located adjacent to the leased building. The rate under the new lease for parking will be \$188,573.88 annually for the use of 464 parking spaces. HHS will recoup up to \$55,680 of this cost from its employees. Landlord will provide up to \$364,577.50 in renovations over the term of the lease. HHS is not responsible for any additional costs above the rent and parking fees to be paid. No option to purchase the property is included in the lease.

Operating cost increases are capped at five percent per year, beginning with the first year of the lease. Assuming operating expenses increase at five percent per year, the maximum rent over the term of the lease is as follows:

Year	Date	Base	Operating	Rate/SF	Rent	Rent & Parking
1	7/1/08	7.42	7.96	15.38	2,242,880.78	2,431,454.66
2	7/1/09	7.67	8.36	16.03	2,337,670.93	2,526,244.81
3	7/1/10	7.92	8.78	16.70	2,435,377.70	2,623,951.58
4	7/1/11	8.17	9.21	17.38	2,534,542.78	2,723,116.66
5	7/1/12	8.42	9.67	18.09	2,638,082.79	2,826,656.67
	Total				\$12,188,554.98	\$13,131,424.38
	Average			\$16.72	\$2,437,711.00	\$2,626,284.88

HHS has adequate funds for the lease according to a Budget Approval Form submitted April 23, 2008, which also includes a multi-year plan. Lease payments will be made from state appropriations; federal funding from the US Department of Health and Human Services; and funds collected from overpayments, fraud and abuse, and third party liability used to offset administrative costs as authorized by legislative provisos.

The space allocation of the new lease is 86,970 square feet for staff. Space is allocated for 549 employees. The remaining 58,861 square feet is to be utilized for storage, conference rooms, reception area, work areas, library, break room, computer server area and common areas. The building was constructed in or around 1970, and no environmental assessment has been performed on the subject property.

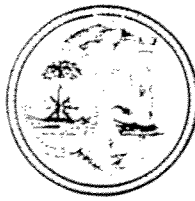
The lease was approved by Emma Forkner, Director of HHS and by Riprand Count Arco, Managing Member of AMOMMARC I, LLC and General Partner of AAC Columbia Limited Partnership.

4. What is JBRC asked to do? Approve the proposed five year lease for the Department of Health and Human Services at 1801 Main Street in Columbia.

5. What is recommendation of the General Services Division? Approval of the proposed lease.

6. List of Supporting Documents:

- (a) Letter from HHS dated May 19, 2008
- (b) SC Code of Laws Sections 1-11-55 and 1-11-56



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Emma Forkner
Director

May 19, 2008

Mr. M. Richbourg Roberson, Director
General Services Division
South Carolina Budget and Control Board
1201 Main Street, Suite 420
Columbia, South Carolina 29201

Dear Mr. Roberson:

As you are aware, Regulation 19-447.1000 requires that leases, which commit one million dollars or more in a five-year period, be approved by the Budget and Control Board and reviewed by the Joint Bond Review Committee.

The South Carolina Department of Health and Human Services (SCDHHS) administers the South Carolina Medicaid Program, which provides health care coverage for about one quarter of the population of South Carolina. The administrative offices of SCDHHS have been housed in leased office space at the current location at 1801 Main Street since August 14, 1984. The current lease expires June 30, 2008.

SCDHHS in coordination with General Services Division, Real Property Services, initiated two competitive solicitations for available space to lease in February 2007 and October 2007, in order to determine whether other suitable commercial office space alternatives were available and to obtain the best value for the State. After reviewing the proposals submitted as a result of these solicitations, SCDHHS has determined that none of the proposed sites would be as suitable in accommodating the needs of the agency as the present site and hereby requests the approval of a lease to remain at our current location at 1801 Main Street through the negotiated lease term.

The proposed lease with Jefferson Square Joint Venture is to begin July 1, 2008 for a term of five years with an expiration date of June 30, 2013. The basic rental rate begins at \$15.00 in the first year and increases \$0.25 each year thereafter. Annual basic rent in the first year will be \$2,187,465. SCDHHS will additionally pay \$15,714.49 monthly for parking, approximately \$4,640 of which will be recouped from our employees occupying such parking spaces.

Mr. M. Richbourg Roberson, Director
May 19, 2008
Page Two

General Services Division has negotiated a lower rate with the landlord resulting in a significant cost savings for the agency in the first year of the lease of over \$652,000.

The state's process is designed to meet the requirements of Regulation 19-447.1000 and the proposed lease terms and conditions are consistent with the State's standard lease terms. Adequate funds are available within the agency's budget, and a financial plan has been submitted.

Therefore, I respectfully request that the proposed lease with Jefferson Square Joint Venture be approved by the Budget and Control Board.

Sincerely,

A handwritten signature in cursive script, appearing to read "Emma Forkner".

Emma Forkner
Director

EF/jym

SOUTH CAROLINA CODE OF LAWS

SECTION 1-11-55. Leasing of real property for governmental bodies.

- (1) "Governmental body" means a state government department, commission, council, board, bureau, committee, institution, college, university, technical school, legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches of this State. Governmental body excludes the General Assembly, Legislative Council, the Office of Legislative Printing, Information and Technology Systems, and all local political subdivisions such as counties, municipalities, school districts, or public service or special purpose districts.
- (2) The Budget and Control Board is hereby designated as the single central broker for the leasing of real property for governmental bodies. No governmental body shall enter into any lease agreement or renew any existing lease except in accordance with the provisions of this section.
- (3) When any governmental body needs to acquire real property for its operations or any part thereof and state-owned property is not available, it shall notify the Office of General Services of its requirement on rental request forms prepared by the office. Such forms shall indicate the amount and location of space desired, the purpose for which it shall be used, the proposed date of occupancy and such other information as General Services may require. Upon receipt of any such request, General Services shall conduct an investigation of available rental space which would adequately meet the governmental body's requirements, including specific locations which may be suggested and preferred by the governmental body concerned. When suitable space has been located which the governmental body and the office agree meets necessary requirements and standards for state leasing as prescribed in procedures of the board as provided for in subsection (5) of this section, General Services shall give its written approval to the governmental body to enter into a lease agreement. All proposed lease renewals shall be submitted to General Services by the time specified by General Services.
- (4) The board shall adopt procedures to be used for governmental bodies to apply for rental space, for acquiring leased space, and for leasing state-owned space to nonstate lessees.
- (5) Any participant in a property transaction proposed to be entered who maintains that a procedure provided for in this section has not been properly followed, may request review of the transaction by the Director of the Office of General Services or his designee.

SOUTH CAROLINA CODE OF LAWS

SECTION 1-11-56. Program to manage leasing; procedures.

The State Budget and Control Board, in an effort to ensure that funds authorized and appropriated for rent are used in the most efficient manner, is directed to develop a program to manage the leasing of all public and private space of state agencies. The board's regulations, upon General Assembly approval, shall include procedures for:

- (1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;
- (2) establishing standards for the quality and quantity of space to be leased by a requesting agency;
- (3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:
 - (a) a nonappropriation for the renting agency,
 - (b) a dissolution of the agency, and
 - (c) the availability of public space in substitution for private space being leased by the agency;
- (4) rejecting an agency's request for additional space or space at a specific location, or both;
- (5) directing agencies to be located in public space, when available, before private space can be leased;
- (6) requiring the agency to submit a multi-year financial plan for review by the board's budget office with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period.

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: June 4, 2008

Regular Agenda

1. Submitted by:

- (a) Agency: General Services Division
- (b) Authorized Official Signature:

M. Richbourg Roberson
M. Richbourg Roberson, Director

2. Subject: Public Service Commission Lease

3. Summary Background Information:

The Public Service Commission (PSC) requests approval to continue leasing from Hub Properties Trust (Landlord), space on the first floor of the Saluda Building at Synergy Business Park located at 101 Executive Center Drive in Columbia. PSC requests to lease 18,041 square feet from Landlord, which is a reduction from the 18,559 square feet it is currently leasing. This space accommodates all of the needs of PSC. PSC's current lease at the location expires August 31, 2008.

The lease term will be seven years commencing on September 1, 2008. Rent will be \$19,920.27 per month or \$239,043.25 per year (\$13.25 per square foot annually) for the first year of the lease. Thereafter, rent increases by 3.5% per square foot annually. Comparables of similar state agency office space leased in the Columbia area are as follows:

Lease Date	Agency/Location	Rate
10/05	SC School for the Deaf and Blind 101 Executive Center Drive, Ste. 120	\$ 12.73
07/07	Department of Juvenile Justice 100 Executive Center Dr., Ste. 210	\$ 14.00
7/07	SC Medical Malpractice Patients' Compensation Fund 121 Executive Center Dr., Ste. 110	\$ 14.50

Parking is included with the lease. Landlord will make renovations to the leased space costing \$78,213 to facilitate downsizing and improving the space. PSC is not responsible for any additional costs above the rent. No option to purchase the property is included in the lease.

Operating cost increases are capped at five percent per year, beginning with the second year of the lease. Assuming operating expenses increase at five percent per year, the maximum rent over the term of the lease is as follows:

Year	Date	Base	Operating	Rate/SF	Rent
1	9/1/08	7.83	5.42	13.25	239,043.25
2	9/1/09	8.29	5.69	13.98	252,213.18
3	9/1/10	8.77	5.98	14.75	266,104.75
4	9/1/11	9.27	6.27	15.54	280,357.14
5	9/1/12	9.78	6.59	16.37	295,331.17
6	9/1/13	10.32	6.92	17.24	311,026.84
7	9/1/14	10.87	7.26	18.13	327,083.33
	Total				\$1,971,159.66
	Average			\$15.61	\$281,594.24

PSC has adequate funds for the lease according to a Budget Approval Form submitted April 10, 2008, which also includes a multi-year plan. PSC is an "other-funded" agency and lease payments will be made from assessments charged to the utility companies it regulates.

The space allocation of the new lease is 6,180 square feet for staff. Space is allocated for 38 employees. The remaining 11,861 square feet is to be utilized for storage, filing cabinets, hearing rooms, conference rooms, reception area, work areas, library, break room, computer server area and common areas. The building was constructed between 1982 and 1989. The findings from an environmental assessment dated April 21, 2006 reveal no substantial environmental concerns and the study recommended no further environmental hazard remediation, assessments or investigations.

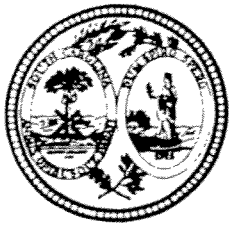
The lease was approved by Commissioner G. O'Neal Hamilton, Chairman of PSC and by Jennifer B. Clark, Senior Vice President of Hub Properties Trust.

-
- 4. What is JBRC asked to do?** Approve the proposed seven year lease for the Public Service Commission at 101 Executive Center Drive in Columbia.
-

- 5. What is recommendation of the General Services Division?** Approval of the proposed lease.
-

6. List of Supporting Documents:

- (a) Letter from PSC dated May 20, 2008
- (b) SC Code of Laws Sections 1-11-55 and 1-11-56



Charles L.A. Terreni
Chief Clerk/Administrator

The Public Service Commission State of South Carolina

COMMISSIONERS
G. O'Neal Hamilton, Fifth District
Chairman
C. Robert Moseley, At-Large
Vice Chairman
John E. "Butch" Howard, First District
David A. Wright, Second District
Randy Mitchell, Third District
Elizabeth B. "Lib" Fleming, Fourth District
Mignon L. Clyburn, Sixth District

Phone: (803) 896-5133
Fax: (803) 896-5246
Charles.Terreni@psc.sc.gov

May 20, 2008

Ms. Delaine Duckworth
Division of General Services
South Carolina Budget & Control Board
1201 Main Street, Suite 420
Columbia, South Carolina 29201

Re: Request for approval of lease.

Dear Ms. Duckworth:

On behalf of the Public Service Commission of South Carolina I am writing to request the approval of the accompanying lease from the Budget and Control Board and the Joint Bond Review Committee. I would appreciate your including this request on the agendas of the upcoming meetings of these bodies. This agreement represents the renewal of the Public Service Commission's lease of its offices in the Synergy Business Park, located at 101 Executive Center Drive, in Columbia. The Commission has been at this location since September of 1998.

The Public Service Commission regulates the state's investor owned utilities. Regulated utilities include providers of electricity, gas, telecommunications services, water and sewer companies, and transportation providers such as taxi cabs, limousines, and movers of household goods. The Public Service Commission's regulatory functions include certification of utilities, setting rates, hearing consumer complaints, and promulgating regulations. The Commission carries out these functions at its offices, which house the Commission's hearing room, offices, staff, and docket files.

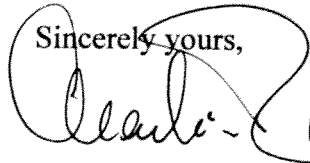
The Commission's offices are conveniently located near the intersection of I-20 and I-26, making them readily accessible to citizens from across the state who attend commission meetings or otherwise transact business with the agency. The Commission's offices have ample and free public parking as well. Visitors from others parts of the state, often tell us that they appreciate the convenient locations of our offices.

Ms. Delaine Duckworth
May 20, 2008
Page 2

We believe that the proposed terms, negotiated with your assistance, are favorable to the Commission. The Commission proposes to renew its lease for a seven year term, with an initial Basic Rent of \$13.25 per sq. ft. for 18,041 sq. ft., representing a rent component of \$7.83 and pro rata operating expenses of \$5.42. Annual increases in the rent component will be 3.25% and increases in operating expenses are capped at 105% of the previous year's allocation. Furthermore, the landlord has agreed to a renovation allowance of \$78,213, which will allow the Commission to reconfigure its space for more efficient use. Due to this reconfiguration of space, the Commission will reduce its rented square footage by 518 sq. ft, and will benefit from more efficient use of its office space. We have also been advised that these terms are competitive with those offered for comparable space in the Columbia market. We have funding available in our existing appropriation to pay the rent in this lease.

Please let me know if you require any other information from the Public Service Commission. I will be available to answer any questions that may be raised regarding this proposed lease at the upcoming meetings of the Budget and Control Board and the Joint Bond Review Committee.

With best wishes, I am,

Sincerely yours,


Charles L.A. Terreni
Chief Clerk and Administrator

c: The Hon. G. O'Neal Hamilton, Chairman

Enclosures (3)

SOUTH CAROLINA CODE OF LAWS

SECTION 1-11-55. Leasing of real property for governmental bodies.

(1) "Governmental body" means a state government department, commission, council, board, bureau, committee, institution, college, university, technical school, legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches of this State. Governmental body excludes the General Assembly, Legislative Council, the Office of Legislative Printing, Information and Technology Systems, and all local political subdivisions such as counties, municipalities, school districts, or public service or special purpose districts.

(2) The Budget and Control Board is hereby designated as the single central broker for the leasing of real property for governmental bodies. No governmental body shall enter into any lease agreement or renew any existing lease except in accordance with the provisions of this section.

(3) When any governmental body needs to acquire real property for its operations or any part thereof and state-owned property is not available, it shall notify the Office of General Services of its requirement on rental request forms prepared by the office. Such forms shall indicate the amount and location of space desired, the purpose for which it shall be used, the proposed date of occupancy and such other information as General Services may require. Upon receipt of any such request, General Services shall conduct an investigation of available rental space which would adequately meet the governmental body's requirements, including specific locations which may be suggested and preferred by the governmental body concerned. When suitable space has been located which the governmental body and the office agree meets necessary requirements and standards for state leasing as prescribed in procedures of the board as provided for in subsection (5) of this section, General Services shall give its written approval to the governmental body to enter into a lease agreement. All proposed lease renewals shall be submitted to General Services by the time specified by General Services.

(4) The board shall adopt procedures to be used for governmental bodies to apply for rental space, for acquiring leased space, and for leasing state-owned space to nonstate lessees.

(5) Any participant in a property transaction proposed to be entered who maintains that a procedure provided for in this section has not been properly followed, may request review of the transaction by the Director of the Office of General Services or his designee.

SOUTH CAROLINA CODE OF LAWS

SECTION 1-11-56. Program to manage leasing; procedures.

The State Budget and Control Board, in an effort to ensure that funds authorized and appropriated for rent are used in the most efficient manner, is directed to develop a program to manage the leasing of all public and private space of state agencies. The board's regulations, upon General Assembly approval, shall include procedures for:

- (1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;
- (2) establishing standards for the quality and quantity of space to be leased by a requesting agency;
- (3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:
 - (a) a nonappropriation for the renting agency,
 - (b) a dissolution of the agency, and
 - (c) the availability of public space in substitution for private space being leased by the agency;
- (4) rejecting an agency's request for additional space or space at a specific location, or both;
- (5) directing agencies to be located in public space, when available, before private space can be leased;
- (6) requiring the agency to submit a multi-year financial plan for review by the board's budget office with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period.

State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2008 through May 7, 2008

SUMMARY 8-2008 Page 1 of 13
Forwarded to JBRC 5/27/08

<u>Item</u> 1.	<u>Agency:</u> H12 Clemson University	<u>Project:</u> 9873, Golf Practice Facility Construction	CHE Approval Date: 04/18/08
	<u>Action</u>		Committee Review Date:
	<u>Proposed:</u> Increase Budget to Establish A&E Design Funding		B&C Board Approval Date:
	(Add \$250,000.00 [9] Other, Private Donations)		<u>Budget After Action Proposed</u>
	<u>Purpose:</u> To begin design work for phase III of construction of a golf practice facility for the golf team at Clemson. The project was established in January 2007 for construction of two phases, including drainage, irrigation, a driving range, practice greens and a short game practice area. Phase III will include construction of an approximately 6,600 square foot clubhouse facility with locker rooms, meeting rooms, offices, a repair shop and a service kitchen. The Clemson golf team currently has a locker room at the Madren Center Golf Course and a small amount of space in the Robinson practice facility. Additional space will allow for team meetings, planning and more cohesive team management.		<u>Source</u> <u>Amount</u>
			Other, Private Donations 943,500.00
			Total Funds 943,500.00
	<u>Ref:</u> Supporting document pages 1-4		
<u>Item</u> 2.	<u>Agency:</u> H17 Coastal Carolina University	<u>Project:</u> 9554, Atheneum Hall Renovation	CHE Approval Date: 04/18/08
	<u>Action</u>		Committee Review Date:
	<u>Proposed:</u> Establish Project for A&E Design Funding		B&C Board Approval Date:
	Total budget..... \$30,000.00		<u>Budget After Action Proposed</u>
	[9] Other, Renovation Reserve \$30,000.00		<u>Source</u> <u>Amount</u>
	<u>Purpose:</u> To begin design work to renovate Atheneum Hall at Coastal Carolina. The renovation will provide office space for alumni staff, dining and meeting facilities for alumni events, and two suites for visiting faculty, guest speakers and dignitaries. It will also include renovations to the roof, mechanical, electrical and plumbing systems. The facility has not had a major renovation since its construction in 1966. Alumni staff share cramped office space with the Advancement Department and alumni functions are held in a remote location without direct access to the University. The renovation will incorporate Alumni Affairs into the heart of the campus and address deferred maintenance needs of the building.		Other, Renovation Reserve 30,000.00
			Total Funds 30,000.00
	<u>Ref:</u> Supporting document pages 5-7		

SUMMARY 8-2008 Page 2 of 13
Forwarded to JBRC 5/27/08

<u>Item</u> 4.	<u>Agency:</u> H17 Coastal Carolina University	<u>Project:</u> 9556, Science Building Lab/Office Annex Construction	CHE Approval Date:	04/18/08
			Committee Review Date:	
			B&C Board Approval Date:	
	<u>Action</u>			
	<u>Proposed:</u> Establish Project for A&E Design Funding			
			<u>Budget After Action Proposed</u>	
	Total budget.....	\$170,000.00		
	[9] Other, Renovation Reserve	\$170,000.00		
			<u>Source</u>	<u>Amount</u>
			Other, Renovation Reserve	170,000.00
			Total Funds	170,000.00
	<u>Purpose:</u>	To begin design work to construct an approximately 40,000 square foot annex to the science building at Coastal Carolina. The annex will include science labs, faculty offices and supply spaces. The science building was constructed in 1980 when the student population was much smaller. Existing labs are housed in converted classroom spaces with insufficient air handling and inadequate water and gas supplies. Workstation setups are not conducive to high quality science instruction and science faculty are housed in three separate buildings, making interdisciplinary research and student-faculty interactions difficult.		
	<u>Ref:</u>	Supporting document pages 11-13		

State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2008 through May 7, 2008

SUMMARY 8-2008 Page 3 of 13
Forwarded to JBRC 5/27/08

<u>Item</u> 5.	<u>Agency:</u> H17 Coastal Carolina University	<u>Project:</u> 9557, Williams Brice Building/Kimbel Arena Addition/Renovation	CHE Approval Date: 04/18/08
	<u>Action</u>		Committee Review Date:
	<u>Proposed:</u> Establish Project for A&E Design Funding		B&C Board Approval Date:
			<u>Budget After Action Proposed</u>
	Total budget.....	\$310,000.00	
	[9] Other, Renovation Reserve	\$310,000.00	
	<u>Purpose:</u>	To begin design work to create a student recreation complex and an improved basketball practice facility at Coastal Carolina. The work will include adding to, renovating and addressing deferred maintenance at the Williams Brice Building and Kimbel Arena to create the complex. The proposed addition will be approximately 55,000 to 60,000 square feet. Currently, the recreational and arena facilities are shared by several sports which does not allow scheduling flexibility for use by athletes and students participating in intramural sports and wellness and fitness offerings. Intramural sports are competing with academics for space as more evening classes are scheduled. Williams Brice, the recreation center, was constructed in 1971 when the student population was less than 800 students, compared with 7,800 students now.	
	<u>Ref:</u>	Supporting document pages 14-16	
			<u>Source</u>
			<u>Amount</u>
			Other, Renovation Reserve
			310,000.00
			Total Funds
			310,000.00

<u>Item</u> 6.	<u>Agency:</u> H17 Coastal Carolina University	<u>Project:</u> 9558, Kimbel Library/Information Commons Expansion/Renovation	CHE Approval Date:	04/18/08
	<u>Action</u>		Committee Review Date:	
	<u>Proposed:</u> Establish Project for A&E Design Funding		B&C Board Approval Date:	
			<u>Budget After Action Proposed</u>	
	Total budget.....	\$75,000.00		
	[9] Other, Renovation Reserve	\$75,000.00		
	<u>Purpose:</u>	To begin design work to expand and renovate the Kimbel Library at Coastal Carolina. The 15,000 square foot addition will create an information commons area which will be a technology-rich, student-centered study, reference, and tutorial center available 24 hours a day, seven days a week. The renovation will include improving the front entrance, updating the circulation area and making interior improvements to provide a more welcoming appearance. The library was constructed in 1976 when the student population was much smaller and was designed for library collections. The expansion and renovation will address expanded student needs and the recommendations of the Southern Association of Colleges and Schools that the library's infrastructure, capacity, shelving and building layout be improved.	<u>Source</u>	<u>Amount</u>
			Other, Renovation Reserve	75,000.00
			Total Funds	75,000.00
	<u>Ref:</u>	Supporting document pages 17-19		

SUMMARY 8-2008 Page 4 of 13
Forwarded to JBRC 5/27/08

CHE Approval Date: 05/12/08

Committee Review Date:
B&C Board Approval Date:

Action

Proposed: Establish Project for A&E Design Funding

Total budget..... \$250,000.00

[9] Other, Renovation Reserve	\$250,000.00
-------------------------------------	--------------

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
---------------	---------------

Other, Renovation Reserve	250,000.00
---------------------------	------------

Total Funds	250,000.00
-------------	------------

Purpose: To begin design work to repair and renovate Wilkinson Hall at SC State. The 23,625 square foot facility was constructed in 1938 and is listed on the National Register of Historic Places. It was closed in May 2007 due to effluent issues and indoor air quality problems, resulting in the displacement of the Admissions and Records, Financial Aid and Accounts Receivable programs. These programs relocated to temporary sites on campus, but the space is not adequate. The facility also has approximately \$1 million of accumulated deferred maintenance. The work is expected to include interior renovations, HVAC, plumbing, and electrical improvements, and ADA compliance.

Ref: Supporting document pages 20-22

Item 8. Agency: H27 USC - Columbia Project: 6050, Preston College Fire Protection/Renovation

CHE Approval Date: 04/18/08

Committee Review Date:
B&C Board Approval Date:

Action

Proposed: Establish Project for A&E Design Funding

Total budget..... \$280,000.00

[9] Other, Housing Maintenance Reserve.....	\$280,000.00
---	--------------

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
---------------	---------------

Other, Housing Maintenance Reserve	280,000.00
------------------------------------	------------

Total Funds	280,000.00
-------------	------------

Purpose: To begin design work to renovate the Preston College housing facility at USC. The work will include installing a fire protection system, upgrading the fire alarm, emergency lighting and voice/data systems, improving interior finishes, and replacing domestic hot and cold water lines. The facility was built in 1939 and is one of the University's historical buildings. The work is needed to modernize the building and to meet current life safety code requirements.

Ref: Supporting document pages 23-25

State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2008 through May 7, 2008

SUMMARY 8-2008 Page 5 of 13
Forwarded to JBRC 5/27/08

<u>Item</u> 9.	<u>Agency:</u>	H27 USC - Columbia	<u>Project:</u>	6051, DeSaussure Fire Protection/Renovation	CHE Approval Date:	04/18/08
					Committee Review Date:	
					B&C Board Approval Date:	
	<u>Action</u>					
	<u>Proposed:</u>	Establish Project for A&E Design Funding				
	Total budget.....					\$350,000.00
	[9] Other, Housing Maintenance Reserve.....					\$350,000.00
	<u>Purpose:</u>					
	To begin design work to renovate the DeSaussure College housing facility at USC. The work will include installing a fire protection system, upgrading the fire alarm, emergency lighting, window, HVAC, electrical and plumbing systems, improving interior finishes, and renovating the kitchens. The facility was built in 1809 and is the second oldest building on campus. The work is needed to modernize the building and to meet current life safety code requirements.					
	<u>Ref:</u>					
Supporting document pages 26-28						
<hr/>						
<u>Item</u> 10.	<u>Agency:</u>	H27 USC - Columbia	<u>Project:</u>	6052, Health Sciences Renovation	CHE Approval Date:	05/01/08
					Committee Review Date:	
					B&C Board Approval Date:	
	<u>Action</u>					
	<u>Proposed:</u>	Establish Project for A&E Design Funding				
	Total budget.....					\$1,800,000.00
	[2] Institution Bonds.....					\$1,800,000.00
	<u>Purpose:</u>					
	To begin design work to renovate the Health Sciences Building at USC. The building was constructed in 1961 and is currently configured as office space and wet labs. The renovation will include reconfiguring the space to academic offices and classrooms, upgrading the building's mechanical, electrical, and plumbing systems, and repairing the building's exterior envelope. The work is needed to modify the interior layout to meet new program requirements, replace worn interior and exterior finishes, and provide academic space for a core University program.					
	<u>Ref:</u>					
Supporting document pages 29-31						

State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2008 through May 7, 2008

SUMMARY 8-2008 Page 6 of 13
Forwarded to JBRC 5/27/08

<u>Item</u> 11.	<u>Agency:</u> H27 USC - Columbia	<u>Project:</u> 6053, Athletic Venues Construction	CHE Approval Date:	05/01/08
	<u>Action</u>		Committee Review Date:	
	<u>Proposed:</u> Establish Project for A&E Design Funding		B&C Board Approval Date:	
	Total budget.....	\$750,000.00	<u>Budget After Action Proposed</u>	
	[3] Athletic Revenue Bonds.....	\$750,000.00	<u>Source</u>	<u>Amount</u>
	<u>Purpose:</u> To begin design work to construct outdoor athletic venues at USC. The work will include demolishing the existing baseball field, Spring Sports Center and three Roost buildings and developing 12 tennis courts and a lacrosse field with associated seating, lighting and scoreboards. The new baseball stadium will be completed prior to the start of this project. The functions in the demolished buildings will relocate and ultimately move into new facilities in the Athletic Village. The new athletic venues are part of the University's Athletic Master Plan. The women's lacrosse field will meet a Title IX requirement for women's athletics, which requires a fair share of athletic programs for men and women, and the tennis courts will provide a central location for practice and competition courts for the men's and women's tennis teams.		Athletic Revenue Bonds	750,000.00
			Total Funds	750,000.00
	<u>Ref:</u> Supporting document pages 32-34			

<u>Item</u> 12.	<u>Agency:</u> H27 USC - Columbia	<u>Project:</u> 6054, Athletic Coaches Support Building Construction	CHE Approval Date:	05/01/08
	<u>Action</u>		Committee Review Date:	
	<u>Proposed:</u> Establish Project for A&E Design Funding		B&C Board Approval Date:	
	Total budget.....	\$2,000,000.00	<u>Budget After Action Proposed</u>	
	[3] Athletic Revenue Bonds.....	\$2,000,000.00	<u>Source</u>	<u>Amount</u>
	<u>Purpose:</u> To begin design work to construct an approximately 53,000 square foot athletic coaches support facility at USC. The new facility is a component of the University's Athletic Master Plan and redevelopment of the Roost area. It will accommodate offices for coaches, athletic administration, and other athletic support facilities and will replace the Roundhouse which is experiencing structural issues. The facility will also consolidate all coaches offices scattered around campus into the heart of the Athletic Village.		Athletic Revenue Bonds	2,000,000.00
			Total Funds	2,000,000.00
	<u>Ref:</u> Supporting document pages 35-37			

State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2008 through May 7, 2008

SUMMARY 8-2008 Page 7 of 13
Forwarded to JBRC 5/27/08

<u>Item</u> 13.	<u>Agency:</u> H27 USC - Columbia	<u>Project:</u> 6055, Athletic Village Garage and Maintenance Facility Construction	CHE Approval Date:	05/01/08
	<u>Action</u>		Committee Review Date:	
	<u>Proposed:</u> Establish Project for A&E Design Funding		B&C Board Approval Date:	
	Total budget.....	\$650,000.00	<u>Budget After Action Proposed</u>	
	[3] Athletic Revenue Bonds.....	\$650,000.00	<u>Source</u>	<u>Amount</u>
	<u>Purpose:</u>	To begin design work to construct a parking garage in the Roost area at USC to support new construction as part of the University's Athletic Master Plan and Roost site redevelopment. The proposed facility will accommodate approximately 335 vehicles and include a maintenance area for equipment and functions required to maintain the athletic fields on the site. The new facility will provide the parking requirements for the proposed construction of the 185,000 square foot Athletic Village in the Roost area.	Athletic Revenue Bonds	650,000.00
			Total Funds	650,000.00
	<u>Ref:</u>	Supporting document pages 38-40		

<u>Item</u> 14.	<u>Agency:</u> H27 USC - Columbia	<u>Project:</u> 6056, Athletic Village Infrastructure Development	CHE Approval Date:	05/01/08
	<u>Action</u>		Committee Review Date:	
	<u>Proposed:</u> Establish Project for A&E Design Funding		B&C Board Approval Date:	
	Total budget.....	\$1,200,000.00	<u>Budget After Action Proposed</u>	
	[3] Athletic Revenue Bonds.....	\$1,200,000.00	<u>Source</u>	<u>Amount</u>
	<u>Purpose:</u>	To begin design work to construct the infrastructure needed to support the facilities included in USC's Athletic Master Plan for the Roost site redevelopment. The work will include grading, landscaping, constructing retaining walls, sidewalks, walkways, and utilities, and connecting to and upgrading the central energy plant. The Roost site redevelopment centers on the creation of an Athletic Village with multiple buildings and athletic venues. This work is needed to ensure the utilities are available to implement all construction requirements in the Athletic Master Plan and that USC's design guidelines are maintained for each project.	Athletic Revenue Bonds	1,200,000.00
			Total Funds	1,200,000.00
	<u>Ref:</u>	Supporting document pages 41-43		

State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2008 through May 7, 2008

SUMMARY 8-2008 Page 8 of 13
Forwarded to JBRC 5/27/08

<u>Item</u> 15.	<u>Agency:</u> H27 USC - Columbia	<u>Project:</u> 6057, Patterson Hall Renovation	CHE Approval Date:	05/01/08
	<u>Action</u>		Committee Review Date:	
	<u>Proposed:</u> Establish Project for A&E Design Funding		B&C Board Approval Date:	
	Total budget.....	\$3,200,000.00	<u>Budget After Action Proposed</u>	
	[9] Other, Housing Maintenance Reserve.....	\$3,200,000.00	<u>Source</u>	<u>Amount</u>
	<u>Purpose:</u> To begin design work to renovate the Patterson Hall women's dormitory at USC. The nine-story facility was constructed in the mid 1960's and will be renovated to convert student rooms to a suite style arrangement and create office space for housing administration. The renovation will also include interior electrical upgrades, elevator and lobby restoration, interior painting, new furniture and carpet, structural modifications to address seismic code issues, and installation of a fire protection system. The renovation is needed to modernize the building and meet current life safety code requirements.		Other, Housing Maintenance Reserve	3,200,000.00
			Total Funds	3,200,000.00
	<u>Ref:</u>	Supporting document pages 44-46		
<u>Item</u> 16.	<u>Agency:</u> F03 Budget and Control Board	<u>Project:</u> 9867, Calhoun Building Interior Renovation	CHE Approval Date:	N/A
	<u>Action</u>		Committee Review Date:	
	<u>Proposed:</u> Establish Project for A&E Design Funding		B&C Board Approval Date:	
	Total budget.....	\$160,000.00	<u>Budget After Action Proposed</u>	
	[9] Other, Judicial Department	\$82,000.00	<u>Source</u>	<u>Amount</u>
	[9] Other, Depreciation Reserve	\$78,000.00	Other, Judicial Department	82,000.00
	<u>Purpose:</u> To begin design work and obtain a cost estimate to renovate approximately 77,000 square feet of courtroom, office and support space in the Calhoun Building for the Judicial Department. The proposed work will include architectural, structural, mechanical, electrical and fire protection renovations. The renovation is needed to address space efficiency concerns of the Judicial Department, water damage to chambers and deferred maintenance on the facility.		Other, Depreciation Reserve	78,000.00
			Total Funds	160,000.00
	<u>Ref:</u>	Supporting document pages 47-49		

State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2008 through May 7, 2008

SUMMARY 8-2008 Page 9 of 13
Forwarded to JBRC 5/27/08

<u>Item</u> 17.	<u>Agency:</u> J16 Department of Disabilities and Special Needs	<u>Project:</u> 9818, Whitten Center Fire Alarm Systems Backbone Replacement	CHE Approval Date: Committee Review Date: B&C Board Approval Date:	N/A
<u>Action Proposed:</u> Establish Project for A&E Design Funding		<u>Budget After Action Proposed</u>		
Total budget..... \$20,000.00		<u>Source</u>	<u>Amount</u>	
[4] Excess Debt Service..... \$20,000.00		Excess Debt Service	20,000.00	
<u>Purpose:</u> To begin design work to replace the campuswide fire alarm system at the Department of Disabilities and Special Needs' Whitten Center in Clinton. The system has served its useful life and repairs have become costly and labor intensive due to the mismatched equipment, outdated software and the unavailability of parts. The new system will be a single vendor, fully addressable system needed to eliminate safety issues and costly, frequent service work for the center's 27 buildings.		Total Funds	20,000.00	
<u>Ref:</u> Supporting document pages 50-52				

<u>Item</u> 18.	<u>Agency:</u> N04 Department of Corrections	<u>Project:</u> 9691, Allendale Multi-Purpose Building Construction	CHE Approval Date: Committee Review Date: B&C Board Approval Date:	N/A
<u>Action Proposed:</u> Establish Project for A&E Design Funding		<u>Budget After Action Proposed</u>		
Total budget..... \$150,000.00		<u>Source</u>	<u>Amount</u>	
[5] Capital Reserve Fund..... \$150,000.00		Capital Reserve Fund	150,000.00	
<u>Purpose:</u> To begin design work to construct an approximately 6,000 square foot multi-purpose building at the Allendale Correctional Institution. The design will be a site adaptation of Corrections' prototypical multi-purpose facility, which is a pre-fabricated, metal building. The facility will include a workroom, an open area for assemblies and multi-faith activities, administrative space and restrooms. Allendale does not have dedicated space in its facilities for these activities.		Total Funds	150,000.00	
<u>Ref:</u> Supporting document pages 53-55				

State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2008 through May 7, 2008

SUMMARY 8-2008 Page 10 of 13
Forwarded to JBRC 5/27/08

<u>Item</u> 19.	<u>Agency:</u> H12 Clemson University	<u>Project:</u> 9885, Doug Kingsmore Stadium Addition	CHE Approval Date: 05/01/08
			Committee Review Date:
	<u>Action Proposed:</u>	Establish Construction Budget for \$3,000,000.00	B&C Board Approval Date:
	(Add	\$2,000,000.00 [9] Other, IPTAY/Athletic Private)	Budget After Action Proposed
	(Add	\$ 730,000.00 [9] Other, Private Gift)	
			<u>Source</u> <u>Amount</u>
	<u>Purpose:</u>	To construct an approximately 1,000 seat addition and support facilities at Clemson's Doug Kingsmore Stadium. The project was established in May 2008 to begin design work. To meet the schedule requested by the donor, construction must begin in Spring 2009 and be completed by February 2010. The work will also include the construction of concession space, restrooms and site work to provide adequate pedestrian and services access in the left outfield area of the stadium. The additional seats are needed because of the growing popularity of Clemson baseball and are being funded by a private donor and other private Athletic Department sources. The agency reports the total projected cost of this project is \$3 million and additional annual operating costs ranging from \$11,200 to \$12,348 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is January 2009 and for completion of construction is February 2010.	Other, IPTAY/Athletic Private 2,000,000.00
			Other, Private Gift 1,000,000.00
			Total Funds 3,000,000.00
	<u>Ref:</u>	Supporting document pages 56-59	

<u>Item</u> 20.	<u>Agency:</u> H15 College of Charleston	<u>Project:</u> 9636, AT&T Bell Building Electrical Improvements	CHE Approval Date: 05/01/08
			Committee Review Date:
	<u>Action Proposed:</u>	Establish Construction Budget for \$831,500.00	B&C Board Approval Date:
	(Add	\$800,000.00 [9] Other, College Fees)	Budget After Action Proposed
			<u>Source</u> <u>Amount</u>
	<u>Purpose:</u>	To make electrical, mechanical and emergency power improvements in the AT&T Bell Building at the College of Charleston. The project was established in March 2008 for pre-design work, which is now complete, and the College wishes to proceed with construction. The improvements are needed to support new hardware to be acquired as part of the implementation of the BATTERY project, a new computer system, and to provide emergency power to the College's Emergency Operation Center. The existing computer system was implemented in 1989 and is obsolete. The availability of uninterrupted electrical power is crucial for the operation and recovery of the College's critical systems. The agency reports the total projected cost of this project is \$831,500 and no additional annual operating costs will result from the project. The agency also reports that the projected date for execution of the construction contract is September 2008 and for completion of construction is February 2009.	Other, College Fees 831,500.00
			Total Funds 831,500.00
	<u>Ref:</u>	Supporting document pages 60-64	

State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2008 through May 7, 2008

SUMMARY 8-2008 Page 11 of 13
Forwarded to JBRC 5/27/08

Item 21. Agency: H17 Coastal Carolina University Project: 9538, Athletic Training Facility Construction

CHE Approval Date: 05/01/08

Committee Review Date:

B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$12,000,000.00

(Add \$2,245,000.00 [2] Institution Bonds)
 (Add \$2,850,000.00 [9] Other, Coastal Educational Foundation)
 (Add \$ 750,000.00 [9] Other, Chanticleer Club)

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Institution Bonds	4,445,000.00
Other, Institutional Capital Project Funds	1,720,000.00
Other, Coastal Educational Foundation	2,850,000.00
Other, Renovation Reserve	2,235,000.00
Other, Chanticleer Club	750,000.00
Total Funds	12,000,000.00

Purpose: To construct an approximately 52,000 square foot athletic training facility and additional seating for football at Coastal Carolina. The project was established in September 2003 and revised in December 2005 to be completed in two phases. The design phase is complete and Coastal Carolina wishes to proceed with construction. The construction will include the addition of 1,690 seats to Brooks Stadium, with the area behind the seating to be constructed as an athletic training facility. It will include a weight room, a cardio room, locker rooms, office space for trainers, coaches and administrative staff, equipment, laundry and storage areas, and team meeting rooms. The construction is needed to support the football program and to free up space in the current Athletic Administration Building to be used for needed faculty offices for the Department of Humanities and Fine Arts. The agency reports the total projected cost of this project is \$12 million and additional annual operating costs ranging from \$171,000 to \$180,000 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is December 2008 and for completion of construction is July 2010.

Ref: Supporting document pages 65-72

Item 22. Agency: H51 Medical University of SC Project: 9795, Psychiatric Institute Second Floor Renovation

CHE Approval Date: 05/12/08

Committee Review Date:

B&C Board Approval Date:

Action

Proposed: Establish Construction Budget for \$800,000.00

(Add \$700,000.00 [9] Other, College of Medicine Practice Plan)

Budget After Action Proposed

<u>Source</u>	<u>Amount</u>
Other, Indirect Cost Recoveries	100,000.00
Other, College of Medicine Practice Plan	700,000.00
Total Funds	800,000.00

Purpose: To accept the low bid to renovate approximately 9,000 square feet of space on the second floor of the Psychiatric Institute at MUSC. The renovation will provide space for the National Crime Victims Center, which is part of the Department of Psychiatry. The project was established in December 2007 for design work which is now complete. The work will include reconfiguring the space to support patient and academic program needs of the center and making minor revisions to the HVAC system. The National Crime Victims Center is located in the Bank Building, which is scheduled for demolition. The agency reports the total projected cost of this project is \$800,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is August 2008 and for completion of construction is February 2009.

Ref: Supporting document pages 73-75

State Budget and Control Board, Office of State Budget – Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2008 through May 7, 2008

SUMMARY 8-2008 Page 12 of 13
Forwarded to JBRC 5/27/08

<u>Item</u> 23.	<u>Agency:</u> H51 Medical University of SC	<u>Project:</u> 9798, Hospital Adult Emergency Room Expansion/ Renovation	CHE Approval Date: Committee Review Date: B&C Board Approval Date:	05/12/08
	<u>Action Proposed:</u> Establish Construction Budget for \$12,440,000.00			
	(Add \$12,440,000.00 [9] Other, Hospital Revenue)		<u>Budget After Action Proposed</u>	
	<u>Purpose:</u> To renovate approximately 33,850 square feet of space in the Main Hospital and Clinical Sciences Building at MUSC to create an Adult Emergency Room. The Medical University Hospital Authority needs to expand the adult emergency room at the Main Hospital to meet the emergency service demand in Charleston. Design work, already completed by the Hospital Authority, determined that the most cost effective solution to the need to expand the hospital's adult emergency services space was to utilize a portion of MUSC's Clinical Sciences Building. Approximately 17,000 square feet on the first floor of the Clinical Sciences Building and additional space in the Main Hospital will be renovated to create an adult lobby and reception area, new nurse stations, exam rooms, a new ambulance canopy and support spaces. The agency reports the total projected cost of this project is \$12,440,000 and no additional annual operating costs will result from the project. The agency also reports that the projected date for execution of the construction contract is September 2008 and for completion of construction is September 2010.		<u>Source</u>	<u>Amount</u>
			Other, Hospital Revenue	12,440,000.00
			Total Funds	12,440,000.00
	<u>Ref:</u> Supporting document pages 76-80			
<u>Item</u> 24.	<u>Agency:</u> H59 State Board for Technical and Comprehensive Education	<u>Project:</u> 9978, Spartanburg - Gaines Building Renovation	CHE Approval Date: Committee Review Date: B&C Board Approval Date:	N/A
	<u>Action Proposed:</u> Establish Construction Budget for \$1,070,343.00			
	(Add \$930,343.00 [9] Other, Local College Funds)		<u>Budget After Action Proposed</u>	
	<u>Purpose:</u> To renovate approximately 10,700 square feet in the Gaines Building at Spartanburg Community College to house the Corporate and Community Education Department. The project was established in November 2006 to begin design work to renovate the building, which previously housed the main campus library. Design is nearing completion and the College is ready to proceed with the renovation based on the current design cost estimate. The renovation will include converting existing space to classrooms, a training room, administrative space and a sales department. It will also include renovations to the HVAC, electrical, and plumbing systems, interior walls and finishes, a new entrance and roof repairs to address moisture problems. The renovation is needed to consolidate Corporate and Community Education in one location and provide sufficient space for the programs. The agency reports the total projected cost of this project is \$1,070,343 and additional annual operating costs ranging from \$27,213 to \$30,002 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is November 2008 and for completion of construction is June 2009.		<u>Source</u>	<u>Amount</u>
			Other, Local College Funds	1,070,343.00
			Total Funds	1,070,343.00
	<u>Ref:</u> Supporting document pages 81-85			

State Budget and Control Board, Office of State Budget - Capital Budgeting Unit
Summary of Permanent Improvement Project Actions Proposed by Agencies
April 5, 2008 through May 7, 2008

SUMMARY 8-2008 Page 13 of 13
Forwarded to JBRC 5/27/08

<u>Item</u> 25.	<u>Agency:</u> H51 Medical University of SC	<u>Project:</u> 9786, College of Health Professions Building C HVAC Replacement	CHE Approval Date:	05/19/08
	<u>Action Proposed:</u> Increase Budget from \$500,000.00 to \$600,000.00		Committee Review Date:	
	(Add \$100,000.00 [9] Other, Miscellaneous Revenue)		B&C Board Approval Date:	
	<u>Purpose:</u> To accept the low bid to replace the HVAC system in the College of Health Profession's Building C at MUSC. The project was established in March 2007, has been bid twice and the scope has been cut to the minimum to replace the system within the budget. On the most recent bid, the three bids received were all within 3% and delaying the project will likely result in higher construction costs. The system is 32 years old and is beyond its expected useful life of 20 years. The new system will be more reliable and save energy by providing more efficient temperature and humidity control. The agency reports the total projected cost of this project is \$600,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is July 2008 and for completion of construction is March 2009.		<u>Budget After Action Proposed</u>	
			<u>Source</u>	<u>Amount</u>
			Other, Institutional Capital Project Funds	500,000.00
			Other, Miscellaneous Revenue	100,000.00
			Total Funds	600,000.00
	<u>Ref:</u> Supporting document pages 86-88			

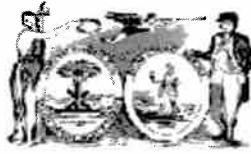
<u>Item</u> 26.	<u>Agency:</u> J12 Department of Mental Health	<u>Project:</u> 9704, Charleston Mental Health Center Children's Clinic Addition	CHE Approval Date:	N/A
	<u>Action Proposed:</u> Increase Budget from \$1,505,753.32 to \$1,705,753.32		Committee Review Date:	
	(Add \$ 200,000.00 [9] Other, Medicaid)		B&C Board Approval Date:	
	<u>Purpose:</u> To provide funds for a contingency for construction of a 7,000 square foot children's clinic addition at the Charleston Mental Health Center. The project was established in December 2006 with \$1.5 million appropriated by the General Assembly for construction of an administration addition. A scope revision was approved in June 2007 to construct a children's clinic addition instead of administrative space. The design for the clinic included the infrastructure for a second floor to be built at a later date to provide the needed administrative space. Because of the infrastructure additions and the increased costs for metal and gas products, when the construction contract was awarded, almost no contingency funds remained for unforeseen events that may arise during construction. This increase will provide the funds for a contingency. The agency reports the total projected cost of this project is \$1,705,753 and annual operating cost savings of \$128,706 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is June 2008 and for completion of construction is August 2009.		<u>Budget After Action Proposed</u>	
			<u>Source</u>	<u>Amount</u>
			Capital Improvement Bonds	5,753.32
			Appropriated State	1,500,000.00
			Other, Medicaid	200,000.00
			Total Funds	1,705,753.32
	<u>Ref:</u> Supporting document pages 89-94			

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF STATE BUDGET

MARK SANFORD, CHAIRMAN
GOVERNOR

CONVERSE A. CHELLIS III, CPA
STATE TREASURER

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL



HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE COMMITTEE

DANIEL T. "DAN" COOPER
CHAIRMAN, WAYS AND MEANS COMMITTEE

FRANK W. FUSCO
EXECUTIVE DIRECTOR

1201 MAIN STREET, SUITE 870
COLUMBIA, SOUTH CAROLINA 29201
(803) 734-2280
Fax (803) 734-0645

LES BOLES
DIRECTOR

May 27, 2008

The Honorable Hugh K. Leatherman, Sr., Chairman
Joint Bond Review Committee
111 Gressette Senate Office Building
Columbia, South Carolina 29201

Dear Senator Leatherman:

The Office of State Budget submits one additional item for review at the June 4, 2008 meeting of the Joint Bond Review Committee. The item, submitted by the General Services Division, is a request for approval of a lease for the Department of Education.

If you have any questions or need additional information on these items, please call me at 737-0699.

Sincerely,



Carol P. Routh
Assistant Director, Capital Budgeting

Enclosures

cc: George Dorn, Tim Rogers, Lib Croft, Scott English, Grant Gillespie, Justin Evans,
Frank Rainwater, Rick Harmon, Nat Kaminski, Les Boles, Charles Shawver, Stephen Gardner,
John White, Patricia Dennis, Alyson Goff

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

Meeting Scheduled for: June 4, 2008

Regular Agenda

1. Submitted by:

- (a) Agency: General Services Division
- (b) Authorized Official Signature:


M. Richbourg Roberson, Director

2. Subject: Department of Education Lease

3. Summary Background Information:

The Department of Education (DOE) requests approval to lease from Lady Street Associates, a South Carolina General Partnership, 18,200 square feet on the third floor of the Keenan Complex Lady Street Building located at 1330 Lady Street in Columbia. The leased space will house DOE's Division of Educational Services, which consists of the following programs: Community and Parent Services, Public School Choice, Regional Services, Technology Services and Youth Services. The division is currently divided in three different locations. The proposed lease will consolidate the division into one location and facilitate the consolidation of other divisions within the Department of Education at the Rutledge Building.

The lease term will be five years and will commence upon completion of renovations, estimated to be August 1, 2008. Base rent will be \$22,598.33 per month or \$271,180.00 per year (\$14.90 per square foot annually) for each year of the lease, subject to potential operating cost increases. Comparables of similar state agency office space leased in the Columbia area are as follows:

Lease Date	Agency/Location	Rate
05/06	SC Lottery Commission 1333 Main Street, Suite 400	\$ 15.00
04/02	SC Worker's Compensation Commission 1612 Marion Street	\$ 16.25
05/06	SC Commission on Indigent Defense 1330 Lady Street, Suite 400	\$ 16.50

Renovations in the amount of \$154,700 will be made to the leased space at the landlord's expense. DOE will lease parking spaces for its employees in the parking garage located adjacent to the leased building. The rate for parking will be \$12,180 annually for the use of 70 parking spaces (\$14.50 per space monthly). DOE will recoup up to \$8,400 of this cost from its employees. DOE is not responsible for any additional costs above the rent and parking fees to be paid. No option to purchase the property is included in the lease.

After the first year, actual operating cost increases are capped at five percent per year. Assuming operating expenses increase at five percent per year, the maximum rent over the term of the lease is as follows:

Year	Date	Base	Operating	Rate/SF	Rent
1	9/1/08	9.02	5.88	14.90	271,180.00
2	9/1/09	9.02	6.17	15.19	276,458.00
3	9/1/10	9.02	6.48	15.50	282,100.00
4	9/1/11	9.02	6.81	15.83	288,106.00
5	9/1/12	9.02	7.15	16.17	294,294.00
	Total				\$1,412,138.00
	Average			\$15.52	\$282,427.60

DOE has adequate funds for the lease according to a Budget Approval Form submitted May 23, 2008, which also includes a multi-year plan. Lease payments will be made from state appropriations provided to DOE.

The space allocation of the new lease is 11,420 square feet for staff. Space is allocated for 68 employees. The remaining 6,780 square feet is to be utilized for storage, conference rooms, reception areas, work areas, library, break room and computer server area. The building was constructed in or around 1987, and no environmental assessment has been performed on the subject property. An asbestos survey dated April 19, 2007 revealed no asbestos containing materials on the floor that will be occupied by DOE.

The lease was approved by Dr. Jim Rex, Superintendent of Education and by Neel Keenan, General Partner of Lady Street Associates, a South Carolina General Partnership.

4. What is JBRC asked to do? Approve the proposed five year lease for the Department of Education's Division of Educational Services at 1330 Lady Street in Columbia.

5. What is recommendation of the General Services Division? Consider approval of the proposed lease.

6. List of Supporting Documents:

- (a) Letter from DOE dated May 27, 2008
- (b) SC Code Section 1-11-55 and 1-11-56



South Carolina
Department of Education

Jim Rex
Superintendent of Education

Together, we can.

May 27, 2008

Mr. M. Richbourg Roberson
Director
South Carolina Budget and Control Board
General Services Division
1201 Main Street
Suite 420
Columbia, SC 29201

Dear Mr. Roberson:

Due to the South Carolina Department of Education's (SCDE) need to return several offices to the Rutledge Building for efficiency and practical purposes it is necessary to relocate the Division of Educational Services due to a severe shortage of space. Because of this, we are requesting relocation to 1330 Lady Street, 3rd Floor. In light of this request we are currently seeking approval from the Joint Bond Review Committee (JBRC), which meets on June 4, 2008, and the Budget and Control Board (B&CB), which meets on June 17, 2008. I will be attending both of these meetings, as will my assistant, Danielle Knight. Attached is additional justification for relocating.

The Division of Educational Services is comprised of five offices with a current total of sixty-eight employees, though we anticipate increasing our number of staff. Currently our division is divided among six floors at the Rutledge Building and two off site locations. We have seen the available space and have determined that it would provide our division the opportunity to work more effectively. Because the Rutledge Building is only .3 miles from this location, costs would be saved in the areas of courier services and because there is a state agency in this building currently, we would save costs in the area of technology set up.

We feel that this request should be approved because the Rutledge Building is currently over-crowded. It is impossible to group offices in a way that allows them to work efficiently and productively. If our division is allowed to move, it would then make space available and would eliminate over-crowding. Other divisions could then move their offices in a way that would be more practical.

We are prepared to move forward and are happy to provide your offices with any information you require. Please do not hesitate to contact me or my assistant, Danielle Knight at 803-734-6114 or at dknight@ed.sc.gov.

Sincerely,

Cleo Richardson
Deputy Superintendent
Division of Educational Services

Office Space for SC Department of Education Employees

The South Carolina Department of Education (SCDE) is seeking adequate space to house employees in or near the Columbia headquarters in the Rutledge Building at 1429 Senate Street. The current space is inadequate for the number of FTEs allocated by the General Assembly and poorly organized to maximize the efficiency needed to effectively implement the mission of the agency.

FTEs/Vacancies

- In the 2007 session of the General Assembly, forty-one new FTEs were allocated to the SCDE to implement the virtual schools program, expand the Program for Alternative Certification for Educators (PACE) and two FTEs to implement the Health and Physical Education Act.
- Most of these new FTEs have been filled while other vacancies have remained open because the lack of space to house them.
- Currently, there are seventy-one vacant FTEs that will be filled once space to house them is available.
- The budget has \$1.6m in salaries allocated for these positions that is currently available.

Reorganization/Efficiency

- In summer 2007, the SCDE underwent a reorganization to streamline our operations and to group related job functions in the same division.
- Currently, the Division of Educational Services has employees in two satellite locations as well as the Rutledge Building. The additional space will allow all of the employees in the Division of Educational Services to be housed in one location.
- In order to group all of the Division of Education Services together, we will be discontinuing three current leases for a total square footage of 13,812 (see highlighted properties on the attached spreadsheet).

SOUTH CAROLINA CODE OF LAWS

SECTION 1-11-55. Leasing of real property for governmental bodies.

(1) "Governmental body" means a state government department, commission, council, board, bureau, committee, institution, college, university, technical school, legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches of this State. Governmental body excludes the General Assembly, Legislative Council, the Office of Legislative Printing, Information and Technology Systems, and all local political subdivisions such as counties, municipalities, school districts, or public service or special purpose districts.

(2) The Budget and Control Board is hereby designated as the single central broker for the leasing of real property for governmental bodies. No governmental body shall enter into any lease agreement or renew any existing lease except in accordance with the provisions of this section.

(3) When any governmental body needs to acquire real property for its operations or any part thereof and state-owned property is not available, it shall notify the Office of General Services of its requirement on rental request forms prepared by the office. Such forms shall indicate the amount and location of space desired, the purpose for which it shall be used, the proposed date of occupancy and such other information as General Services may require. Upon receipt of any such request, General Services shall conduct an investigation of available rental space which would adequately meet the governmental body's requirements, including specific locations which may be suggested and preferred by the governmental body concerned. When suitable space has been located which the governmental body and the office agree meets necessary requirements and standards for state leasing as prescribed in procedures of the board as provided for in subsection (5) of this section, General Services shall give its written approval to the governmental body to enter into a lease agreement. All proposed lease renewals shall be submitted to General Services by the time specified by General Services.

(4) The board shall adopt procedures to be used for governmental bodies to apply for rental space, for acquiring leased space, and for leasing state-owned space to nonstate lessees.

(5) Any participant in a property transaction proposed to be entered who maintains that a procedure provided for in this section has not been properly followed, may request review of the transaction by the Director of the Office of General Services or his designee.

SOUTH CAROLINA CODE OF LAWS

SECTION 1-11-56. Program to manage leasing; procedures.

The State Budget and Control Board, in an effort to ensure that funds authorized and appropriated for rent are used in the most efficient manner, is directed to develop a program to manage the leasing of all public and private space of state agencies. The board's regulations, upon General Assembly approval, shall include procedures for:

- (1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;
- (2) establishing standards for the quality and quantity of space to be leased by a requesting agency;
- (3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of:
 - (a) a nonappropriation for the renting agency,
 - (b) a dissolution of the agency, and
 - (c) the availability of public space in substitution for private space being leased by the agency;
- (4) rejecting an agency's request for additional space or space at a specific location, or both;
- (5) directing agencies to be located in public space, when available, before private space can be leased;
- (6) requiring the agency to submit a multi-year financial plan for review by the board's budget office with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period.